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Irish Life

Common Reporting Standard (CRS) – The Background

What is the Common Reporting Standard (CRS)?

CRS is the new, single, global standard on the automatic exchange of information, which is aimed at addressing offshore tax evasion. Revenue is the body responsible for exchanging this information. So far, over 90 countries and territories, including Ireland, have signed up to implementing the standard. It comes into effect on 1st January 2016. It is separate to the FATCA (Foreign Account Tax Compliance Act) requirements which are in place between Ireland and the USA. CRS is only interested in the tax residency of the individual while FATCA is interested in the citizenship and (tax) residency.

To whom does CRS apply?

CRS applies to financial institutions such as banks, life assurance companies, investment funds and stockbrokers, who must all report on their accounts (deposits, life assurance products and funds). Institutions must make a return to Revenue each year, who in turn exchanges information with its counterparts in other countries.

To which life assurance products does CRS apply?

CRS applies to savings, investments and unit linked protection products when the plan is *owned* by an individual or entity that is *resident for tax purposes*, anywhere other than the Republic of Ireland or the USA. To establish whether CRS applies at new business stage, a question will be included on all application forms and on ePOS. It is possible to be tax-resident in more than one country and it may be the case that an individual or entity is tax-resident in the ROI and/or the USA as well as other countries.

Does CRS apply to new business and existing policies?

We must check if CRS is applicable to the policy owner at new business stage and also for existing policies if certain changes happen throughout its lifetime e.g. change of address, noting an assignment, applying a top-up.

IMPORTANT – Irish Life's products and the residency of policy owners

As Irish Life's products are not licensed to be sold or marketed outside of the ROI, it cannot accept any new business from individuals or entities that are not habitually resident *and* tax resident in the ROI. Therefore there will be very limited circumstances when CRS applies to Irish Life policies; potentially those written in trust or assigned or when dual tax-residency applies.

Contact us

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